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Reference "B" to EPB Notice No. 6-50

Comments by D/LA on ORE 100-49 per EPB Notice 5-50

10 February 1950

1. On the whole, I think that the disagreement given in the agency dissents, namely that the facts do not support the decisions reached, has considerable justification.
2. A detailed examination of the paper indicates that concessions are constantly given on (a) labor's capacity to do anything at all and (b) the relative importance of possible labor action in producing the effects listed.
3. In the summary, for example, I take the thought to be: labor discontent, for which good reasons exist, will affect progress toward US objectives since, although labor can't do much about its discontent, the mere existence of that discontent will weaken France by postponing stability and lessening economic contributions. The concession that labor cannot do much about its discontent lets the reader down abruptly from the initial statement. Therefore, very careful arguing would be necessary to demonstrate the great importance of the little that labor can do. An examination of the body of the paper shows many instances, on the contrary, where the effect of any labor action is definitely minimized.
4. Labor's capacity to attain its objectives is thoroughly discounted in Section 1.d. In Section 1.e, the first paragraph is devoted to showing that even though non-Communist labor groups have considerable internal political influence, they are reluctant to use that influence. The second paragraph states the labor groups will gain more by external pressure such as partial work stoppages, and the third paragraph that they will have some capabilities in this direction even if a stronger government comes in, but there is no quantitative estimation of the precise effect of these measures either on the government or on the economy. In Section 2.a, statement is made that labor dissatisfaction will weaken French leadership, but it will not be the principal factor in this weakening. In another paragraph, it is stated that French manufacturing habits are the principal causes for high export costs and that poor morale among the workers is a minor reason. In Section 2.b, the meaning seems to be that French defense capabilities are not considered important in 1950 in any event but that labor unrest will limit the building of capabilities which might be important in a later year. In Section 2.c, three necessities are listed for French leadership in Western Europe: increased stability, improved productivity, and lessened fear of Germany. Only in the case of the last of three is statement made that labor action will obstruct progress.

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